

NEW NO  
850

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD  
ALBERT H. GREENE  
CARL C. DAVIS\*  
CHARLES T. KAPPLER  
JOHN H. DOYLE  
MILTON C. GRACE\*  
GEORGE JOHN KETO\*\*  
RICHARD N. BAGENSTOS

\* NOT A MEMBER OF D.C. BAR  
\*\* ALSO A MEMBER OF OHIO BAR

LAW OFFICES  
ALVORD AND ALVORD

200 WORLD CENTER BUILDING  
918 SIXTEENTH STREET, N.W.  
WASHINGTON, D. C.  
20006-2973

OF COUNSEL  
JESS LARSON  
JOHN L. INGOLDSBY  
URBAN A. LESTER

CABLE ADDRESS  
"ALVORD"

TELEPHONE  
AREA CODE 202  
393-2266

June 30, 1982

13687

TELEX  
440367 A AND A WSH (INTERNATIONAL)  
440348 CDAA UI (INTERNATIONAL)  
RECORDATION NO. 1425 Filed 1425 592482 A AND A WSH (DOMESTIC)

JUN 30 1982 - 11 45 AM

Ms. Agatha L. Mergenovich INTERSTATE COMMERCE COMMISSION  
Secretary  
Interstate Commerce Commission  
Washington, D.C.

2-181A020  
No. JUN 30 1982  
Date 10.00 50.00

Dear Madam:

Enclosed herewith for recordation pursuant to the provisions of 49 U.S.C. §11303 are fully executed counterparts of a Loan and Security Agreement dated as of June 29, 1982 <sup>with</sup> and a Collateral Assignment dated as of June 29, 1982 <sup>attached as Exhibit B.</sup>

A description of the railroad equipment covered by the enclosed documents is set forth on Exhibit C attached hereto and made a part hereof.

The names and addresses of the parties to the enclosed documents are:

Lender : American National Bank and Trust  
(Assignee) Company of Chicago  
33 North LaSalle Street  
Chicago, Illinois 60602

Borrower : Refco Management Services, Inc.  
(Assignor) 39 South LaSalle Street  
Chicago, Illinois 60603

The undersigned is agent for the Lender (Assignee) for the purpose of submitting the enclosed documents for filing and recordation.

Kindly return the stamped counterparts of the enclosed documents not needed for recordation purposes to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006.

RECEIVED  
JUN 30 11 37 AM '82  
FEE

-CT Kappler  
David Kappler

Ms. Agatha L. Mergenovich  
Secretary  
June 30, 1982  
Page Two

Also enclosed is a check in the amount of \$50  
payable to the order of the Interstate Commerce Commission  
in payment of the required recordation fee.

Very truly yours,

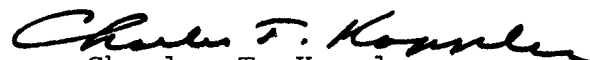
  
Charles T. Kappler

Exhibit C

LIST OF EQUIPMENT

<u>Quantity</u>	<u>Description</u>	<u>Road Numbers</u>
35	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1287-1321
35	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1250-1268, 1334-1349
10	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1282-1286, 1322-1326
20	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1269-1281, 1327-1333
45	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	HCRC 1047-1050, 1053, 1059, 1062-1100
52	Type XM 70-Ton 50'6" Boxcars	UMP 1000-1036, 1039, 1042- 1046, 1048, 1050-1051, 1055-1060
50	Type XM 70-Ton 50'6" Boxcars	Formerly marked as PARY 14000 - 14049; now marked as WSOR 14000 - 14049

**Interstate Commerce Commission**  
Washington, D.C. 20423

**6/30/82**

OFFICE OF THE SECRETARY

**Charles T. Kappler, Esq.**

**Alverd & Alverd**

**200 World Center Building**

**918 16th Street, N.W.**

**Washington, D.C. 20006-2973**

Dear **Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **6/30/82** at **11:45pm**, and assigned re-recording number(s). **13687**

Sincerely yours,

*Agatha L. Mergenovich*  
Agatha L. Mergenovich  
Secretary

Enclosure(s)

JUN 30 1982 - 11 45 AM

LOAN AND SECURITY AGREEMENT

INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT is made and entered into as of the 29<sup>th</sup> day of June, 1982, by and between REFCO MANAGEMENT SERVICES, INC. (hereinafter, the "Borrower"), a Delaware corporation, and AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association (hereinafter, the "Lender").

WITNESSETH:

For and in consideration of that certain loan to be made by the Lender to the Borrower as described herein and evidenced by a promissory note in the form of Exhibit A attached hereto, dated contemporaneously herewith, payable to the order of the Lender; and

For and in consideration of every other loan or extension of credit (including any loan or advance by renewal or extension) heretofore, now or hereafter made to or for the benefit of Borrower by the Lender, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 When used herein, the following terms shall have the following meanings:

(a) Borrower Loan shall mean the loan to be made by the Lender to the Borrower pursuant to the terms and provisions hereof.

(b) Borrower Note shall mean the promissory note to be issued and delivered to the Lender by the Borrower pursuant to the terms and provisions hereof.

(c) Business Day shall mean any day which is not a Saturday, Sunday or legal holiday under the laws of the State of Illinois or the United States of America.

(d) Collateral shall mean all property and interests in property in which a security interest is granted to the Lender by the Borrower hereunder.

(e) Closing shall mean the consummation of the loan transaction contemplated hereby, which shall take place at the principal business office of the Lender in Chicago, Illinois, at such time and on such date (hereinafter, the "Closing Date") as the parties hereto shall agree; provided, however, that the Closing shall take place no later than June 30, 1982.

(f) Event of Default shall mean any of the events described in Section 7.1 of ARTICLE VII hereof.

(g) FSR Notes shall mean the promissory notes of FUNDING SYSTEMS RAILCARS, INC., a Delaware corporation (hereinafter, "FSR"), made payable to the order of the Lender and issued by FSR in connection with FSR's acquisition of the Equipment (as hereinafter defined), which notes were sold and

assigned by the Lender to the Borrower at the date hereof and have been assigned back to the Lender hereunder as part of the Collateral securing the Borrower Loan.

(h) GL Notes shall mean the promissory notes of GL CORPORATION, a Delaware corporation (hereinafter, "GL"), made payable to the order of the Borrower and assigned to the Lender hereunder as part of the Collateral securing the Borrower Loan.

(i) Investor Collateral shall mean all of the personal property in which the Borrower holds a security interest assigned to the Lender hereunder as part of the Collateral securing the Borrower Loan.

(j) Liabilities shall mean all liabilities, obligations and indebtedness of any and every kind and nature (including without limitation, future advances made to or for the benefit of the Borrower), heretofore, now or hereafter owing, arising, due or payable from the Borrower to the Lender as a consequence of the transaction contemplated hereby, howsoever evidenced, created, incurred, acquired or owing, whether primary, secondary, direct, contingent, fixed or otherwise, including obligations of performance, and whether arising under this Agreement, under the Borrower Note, or under any other agreements, documents or instruments related thereto heretofore, now or hereafter executed and delivered by the Borrower to the Lender or by oral agreement or operation of law and whether evidenced by the Borrower Note, by other promissory notes or by other evidence of indebtedness.

(k) Termination Date shall mean the date on which all of the Borrower's obligations hereunder shall terminate in accordance with the provisions hereof.

Section 1.2 All other terms contained in this Agreement shall have the meanings provided by the Uniform Commercial Code or other relevant laws of the State of Illinois, to the extent that the same are used or defined therein.

## ARTICLE II

### AMOUNT AND TERMS OF THE BORROWER LOAN

Section 2.1 The Loan. (a) The Lender hereby agrees that it will loan to the Borrower the amount of Six Million Seven Hundred Thousand Dollars (\$6,700,000), in lawful money of the United States of America, which amount shall be used by the Borrower for the sole purpose of providing permanent take-out financing for the acquisition of certain railroad rolling stock (hereinafter, the "Equipment") originally acquired by FUNDING SYSTEMS RAILCARS, INC., a Delaware corporation (hereinafter, "FSR"), and thereafter sold by FSR in part to REFCO RAIL EQUIPMENT, INC., a Delaware corporation (hereinafter, "RRE"), and in part to REFCO TRANSPORT EQUIPMENT, INC., a Delaware corporation (hereinafter, "RTE"), pursuant to the terms and provisions of those certain agreements, each dated contemporaneously herewith, by and between the Borrower and RRE on the one hand (hereinafter, the "RRE Purchase Agreement") and the Borrower and RTE on the other hand (hereinafter, the "RTE Purchase Agreement"); provided, however, that the Borrower shall, simultaneously with the making of the Borrower Loan by the Lender, enter into, execute and deliver the Borrower Note to the

Lender and, on or before the Closing Date, satisfy each and every other condition precedent to be satisfied by the Borrower in connection with the making of the Borrower Loan.

(b) The parties hereto agree that funding of the Borrower Loan shall take place in the following manner:

(i) At the Closing, upon receipt from the Borrower of the Borrower Note and all other deliveries required to be made by the Borrower hereunder, the Lender shall deposit with itself, to the account of the Borrower, the amount of Six Million Seven Hundred Thousand Dollars (\$6,700,000).

(ii) Immediately subsequent to making the deposit referred to in the preceeding subsection, the Lender shall debit the Borrower's same account in the amount of Six Million Seven Hundred Thousand Dollars (\$6,700,000), and shall credit such amount to itself as payment of the aggregate amount owed to the Lender by the Borrower under the RRE Purchase Agreement and the RTE Purchase Agreement.

(iii) Simultaneously with the making of the aforesaid debit by the Lender, the Borrower shall cause the additional amount of Nine Hundred Eight Thousand Six Hundred Sixty Eight and 40/100 Dollars (\$908,668.40) to be transferred to the Lender in immediately available funds, as payment of the balance of the aggregate amount owed by the Borrower to the Lender under the aforesaid RRE Purchase Agreement and RTE Purchase Agreement.

Section 2.2 Interest and Repayment. The Borrower shall repay, and shall pay interest on, the aggregate unpaid principal amount of the Borrower Loan in accordance with the provisions of the Borrower Note evidencing the indebtedness resulting from such Borrower Loan and in accordance with the provisions hereof. All payments hereunder and under the Borrower Note shall be made in lawful money of the United States of America to the Lender at its principal business office in Chicago, Illinois, in immediately available funds. All computations of interest hereunder and under the Borrower Note shall be made by the parties on the basis of a year of 360 days for the actual number of days (including the first day but excluding the last day) elapsed. Whenever any payment to be made hereunder or under the Borrower Notes shall be stated as due on a Saturday, Sunday or a legal holiday, such payment may be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest. The Borrower shall have the right to make prepayments of principal under the Borrower Note, at any time and from time to time, without premium or penalty therefor.

### ARTICLE III

#### COLLATERAL SECURITY

Section 3.1 Pledge of Collateral. In order to secure the payment and performance of this Agreement, the Borrower Note and all other Liabilities of the Borrower, the Borrower hereby, effective at the date hereof, pledges, hypothecates and grants to the Lender a continuing security interest in and to, the Collateral and all of the proceeds therefrom. The Borrower and the Lender hereby agree that the Collateral shall consist of all

of the Borrower's rights, title, interest, claims and demands in, to and under the GL Notes, the FSR Notes and the Investor Collateral, all of which items shall be assigned, transferred, conveyed and delivered by the Borrower to the Lender in accordance with the terms and provisions of this Agreement and of a Collateral Assignment (hereinafter, the "Assignment"), substantially in the form of Exhibit B attached hereto, which Assignment shall be duly authorized and executed on behalf of the Borrower and delivered to the Lender at or before the Closing. The Borrower and the Lender hereby further agree that the Investor Collateral shall consist of the Equipment listed on Exhibit C attached hereto and the revenues derived from the utilization thereof, and the Assignment shall assign, transfer and convey to the Lender, among other things, all security interests acquired or held by the Borrower under the terms of the RRE Purchase Agreement and the RTE Purchase Agreement, including, without limitation, the Borrower's security interests in the Equipment and the revenues derived therefrom.

Section 3.2 Financing Statements. The Borrower will execute and deliver to the Lender such financing statements or amendments thereof or supplements thereto, and such other instruments as the Lender may from time to time require in order to preserve, protect and maintain the security interests hereby granted, and the Borrower will pay all costs and expenses of recording the same pursuant to the provisions of the Interstate Commerce Act, the Uniform Commercial Code of each applicable jurisdiction, and every other law deemed by the Lender or its counsel to be applicable to the transaction contemplated hereby. The Borrower further agrees that a carbon, photographic,

photostatic or other reproduction of this Agreement or of a financing statement shall be sufficient as a financing statement.

ARTICLE IV  
REPRESENTATIONS AND WARRANTIES

Section 4.1 General Warranties. The Borrower hereby represents and warrants to the Lender, at the date hereof and as of the Closing Date, as follows:

(a) The Borrower is and will continue to be during the term hereof a corporation duly incorporated, validly existing and in good standing under the laws of the state of its incorporation, and has full corporate legal power and authority to own its properties and assets and to conduct its business as now being conducted;

(b) The execution, delivery and performance of this Agreement, and every note, instrument, title, document or other agreement relating thereto have been duly authorized and do not and will not be in conflict with any provision of any statute, regulation, ordinance, rule of law, corporate charter or by-law, agreement or other instrument or writing binding upon the Borrower, and the Borrower has the full power and authority to enter into this Agreement, and all other documents contemplated hereby;

(c) This Agreement, and every note, instrument, title, document or other agreement relating thereto, when delivered hereunder will be, legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with

their respective terms, except as the same may be limited by laws relating to or affecting generally the enforcement of creditors' rights;

(d) All financial statements delivered to the Lender at or prior to the execution of this Agreement, and all financial statements which may hereafter be delivered by or on behalf of the Borrower or those companies reporting the results of their operations on a consolidated basis with the Borrower (hereinafter, the "Affiliates"), to the Lender, represent the internal presentation of Borrower's management with respect to the financial condition and the results of the Borrower's operations and the internal presentation of the Affiliates' management with respect to the operations of the Affiliates, at the times and for the periods therein stated, and since the latest date covered by the most recent financial statements delivered prior to the execution of this Agreement, there has been no adverse change in the financial condition, the operations or any other status of the Borrower or the Affiliates of which the Lender has not been notified in writing;

(e) All written information heretofore or hereafter furnished by or on behalf of the Borrower to the Lender is or will be true and correct as of the date with respect to which such information was furnished;

(f) There are no pending or threatened actions or proceedings affecting the Borrower before any court or governmental agency which may materially adversely affect the financial condition or operations of the Borrower;

(g) The proceeds of the Borrower Loan shall be used for the purpose set forth in Section 2.1 of this Agreement and for no other purpose;

(h) Except for the security interest of the Lender, the Borrower is and will be the owner of the Collateral, free and clear of any lien, security interest or encumbrance of any nature whatsoever other than those, if any, contemplated in the RRE Purchase Agreement, the RTE Purchase Agreement, or the Loan Documents (as that term is defined in the RRE Purchase Agreement and the RTE Purchase Agreement); and

(i) No event has occurred and is continuing or would result from the making of the Borrower Loan which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

## ARTICLE V

### CONDITIONS AND COVENANTS

Section 5.1 Conditions of Lending. In addition to any and all other conditions set forth elsewhere in this Agreement, the obligation of the Lender to make the Borrower Loan hereunder is subject to the further condition precedent that the Lender shall have received, on or before the Closing Date, each of the following items in form and substance satisfactory to the Lender:

(a) Certified copies of the resolutions of the Board of Directors of the Borrower evidencing the authority of the Borrower to enter into this Agreement and all notes, instruments, titles, documents and other agreements relating thereto, and

certified copies of all other documents evidencing necessary corporate action and governmental approvals, if any, with respect to the same;

(b) A certificate of the Secretary or an Assistant Secretary of the Borrower certifying the names and true signatures of the officers of the Borrower authorized to sign this Agreement and all notes, instruments, titles, documents and other agreements relating thereto; and

(c) The GL Notes and the FSR Notes, endorsed, without recourse, to the order of the Lender, together with such other assignments, instruments and documents of conveyance as shall be necessary, in the sole opinion of the Lender, to carry out and effectuate the intentions and purpose of the parties to this Agreement with respect to the making of the Borrower Loan and all other transactions related thereto.

Section 5.2 Covenants of the Borrower. Until repayment of the Borrower Loan in full, together with all interest accrued thereon, the Borrower covenants and agrees as follows:

(a) The Borrower will comply in all material respects with all laws, rules, regulations and orders applicable to its business, wherever conducted, except to the extent contested in good faith and without prejudice to the Collateral, and will file all tax returns and pay all taxes when due, and will cause any liens for taxes to be promptly released, and the Lender is hereby authorized, but not obligated, to advance and pay any sums required to pay any such taxes or to secure the release of any

lien therefor, and any sums so advanced by the Lender shall be payable on demand and secured by the Collateral;

(b) The Borrower will at all times keep accurate and complete records and books of account with respect to all of the Borrower's business activities, in accordance with sound accounting practices, such records and accounts to be maintained at the address of the Borrower as hereinafter set forth in this Agreement; provided, however, that the Borrower shall deliver to the Lender at or before the Closing a complete set of such Financial Statements for the Borrower and the Affiliates for their 1980 fiscal year and shall deliver to the Lender as soon after the closing as they are prepared, a full set of such Financial Statements for their 1981 fiscal year;

(c) The Borrower agrees to deliver to the Lender from time to time, as requested by the Lender, and in any event not less often than annually, a balance sheet, an income (operating) statement and a reconciliation of surplus (hereinafter, collectively, the "Financial Statements"), of the Borrower and the Affiliates, as of a date or dates specified by the Lender;

(d) The Lender, or any person or persons designated by the Lender, shall have the right, from time to time, to call at the Borrower's or the Affiliates' place or places of business during reasonable business hours, and, without hindrance or delay, to inspect, audit, check and make extracts from the Borrower's and Affiliates' books, records, journals, orders, receipts and any correspondence and other data relating to any transactions between the parties hereto, and shall have the right to make such verification concerning the Collateral as the Lender

may consider reasonable under the circumstances, all at the Borrower's expense, and the Borrower will furnish to the Lender such information relevant to the Collateral as the Lender shall from time to time reasonably request;

(e) The Borrower will cause the Collateral to be kept insured against loss or damage by fire and theft and such other risks as are customarily insured against by persons engaged in a business in which property similar to the Collateral, including, but not limited to, the Equipment, is used, with such companies, in such amounts and under policies in such form as shall be satisfactory to the Lender, and will deposit with the Lender reasonably satisfactory evidence that all such policies are in full force and effect from and after the Closing Date and until the Borrower Loan, including all interest accrued thereon, is fully repaid to the Lender, and if the Borrower shall fail to provide and pay for such insurance, the Lender may, but shall not be required to, provide or pay for the same, at the Borrower's expense, and any such payment by the Lender shall be repayable by the Borrower on demand and shall be an additional Liability of the Borrower secured by the Collateral;

(f) The Borrower will keep the Collateral in good condition, repair and order, will not permit the Collateral, or any part thereof, to be levied upon under execution, attachment, distraint or other legal process, and will not sell or grant a security interest in or otherwise dispose of the Collateral, or any part thereof, except as expressly permitted in this Agreement;

(g) Without the prior written consent of the Lender, the Borrower will not assume, guarantee or endorse, or otherwise become liable in connection with the obligations of any person, firm or corporation, except by endorsement of instruments for deposit or collection or similar transactions in the ordinary course of business;

(h) Without the prior written consent of the Lender, the Borrower will not enter into any merger or consolidation, or sell, lease or otherwise dispose of all or substantially all of its assets, or enter into any transaction outside the ordinary course of the Borrower's business, or enter into any transaction or course of dealings with any affiliated firm, person or corporation of a nature that would materially or substantially impair or interfere with the ability of the Borrower to satisfy its duties and obligations hereunder or in connection with the transaction contemplated hereby; and

(i) The Borrower hereby authorizes the Lender to endorse, in the name of the Borrower, any item, howsoever received by the Lender, representing payment on or other proceeds of any item of Collateral.

## ARTICLE VII

### EVENTS OF DEFAULT

Section 7.1 Events of Default. For purposes of this Agreement, an "Event of Default" shall mean the occurrence of any one or more of the following events:

(a) The Borrower fails or neglects to perform, keep or observe any term, provision, warranty or condition contained in this Agreement, the RRE Purchase Agreement, the RTE Purchase Agreement or in any note, instrument or other document executed or delivered by the Borrower in connection with any of said agreements or the transactions contemplated thereby and such failure shall continue for a period of five (5) days thereafter;

(b) The Borrower fails to pay when due or declared due, any principal or interest due under the Borrower Note or any other note, instrument or other document executed or delivered by the Borrower in connection with the transaction contemplated hereby;

(c) All or a substantial portion of the Collateral is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes within the possession of any receiver, trustee, custodian or assignee for the benefit of creditors;

(d) The Borrower or any of the Affiliates becomes insolvent or admits in writing its inability to pay its debts as they mature, or proceeding under any bankruptcy, reorganization, arrangement of debt, insolvency, readjustment of debt or receivership law or statute is filed by or against the Borrower or any of the Affiliates, or the Borrower or any of the Affiliates makes an assignment for the benefit of creditors;

(e) Any proceeding is filed or commenced by or against the Borrower or any of the Affiliates for its dissolution or liquidation, or the Borrower or any of the Affiliates otherwise

voluntarily or involuntarily dissolves or is dissolved,  
terminates or is terminated;

(f) Any representation, warranty, certificate, schedule, report or other communication in connection with this or any other agreement between the Borrower or any of the Affiliates and the Lender is found by the Lender to have been untrue, incomplete or misleading in any material respect with made or furnished;

(g) A judgment or other claim in excess of Ten Thousand Dollars (\$10,000) becomes a lien upon all or a substantial portion of the Collateral;

(h) The Borrower or any of the Affiliates shall (i) fail to pay any recourse debt, or any interest or premium thereon, when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such debt, or (ii) fail to perform any term, covenant or condition on its part to be performed under any agreement or instrument relating to any such debt, when required to be performed, and such failure shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure to perform is to accelerate, or to permit the acceleration of, the maturity of such debt; or any such debt shall be declared to be due and payable, or required to be prepaid (other than by a regularly schedule required prepayment), prior to the stated maturity thereof; or

(i) The net worth of GL (as determined in accordance with the financial statements presented to the Lender pursuant to the provisions of this Agreement) falls below Two Hundred Million Dollars (\$200,000,000) at any time during the period from the date hereof through and including the Termination Date.

Section 7.2 Remedies. If an Event of Default shall occur and be continuing, then:

(i) Notwithstanding anything to the contrary contained herein, all obligations and liabilities of the Borrower hereunder, including, but not limited to, the obligation of the Borrower to make payments under the Borrower Note, may, at the option of the Lender, and without demand, notice or legal process of any kind, be declared, and immediately shall become, due and payable, and the Lender may exercise from time to time any and all rights and remedies available to it under applicable law, including the Interstate Commerce Act and the Uniform Commercial Code of the State of Illinois, in addition to, and not in lieu of, any rights or remedies expressly granted in this Agreement or in any other instrument or agreement executed by the Borrower; and

(ii) Without notice, demand or legal process of any kind, the Lender may take possession of any or all of the Collateral (in addition to any items of Collateral already in the possession of the Lender), wherever it may be found, and for that purpose may pursue the same wherever it may be found, and may, without a breach of the peace, enter into any of the premises of the Borrower or the Affiliates

where any of the Collateral may be or be supposed to be, and search for, take possession of, remove, keep and store any of the Collateral until the same shall be sold or otherwise disposed of, and the Lender shall have the right to store the same in any of the Borrower's or Affiliates' premises without cost to the Lender.

Section 7.3 Notification. Any notification required by law of intended sale, lease or other disposition by or on behalf of the Borrower of any of the Collateral shall be deemed reasonably and properly given if mailed, postage prepaid, to the Borrower at the Borrower's address specified in Section 9.2 of ARTICLE IX hereof at least ten (10) calendar days before such sale, lease or other disposition.

Section 7.4 Costs and Expenses. All costs and expenses incurred by the Lender with respect to the enforcement, collection or protection of its interests in the Collateral shall be payable by the Borrower on demand of the Lender and shall be additional Liabilities secured by the Collateral. Furthermore, any proceeds of any sale, lease or other disposition by the Lender of any of the Collateral may, pursuant to the provisions of this Agreement, be applied by the Lender to the payment of such costs and expenses, including reasonable attorneys' fees and legal expenses, and any balance of such proceeds may be applied by the Lender toward the payment of the Liabilities in the manner set forth herein. The Borrower shall remain liable for any deficiency, and the Lender shall account for any surplus. As used in this Agreement, "attorneys' fees" shall mean the reasonable value of the services of the attorneys employed by the Lender from time to time, to commence, defend or intervene in any

court proceeding, or to file a petition, complaint, answer, motion or other pleadings, or to take any other action in or with respect to any suit or proceeding (bankruptcy or otherwise) relating to the Collateral, this Agreement, or any other agreement, instrument or document heretofore, now or at any time or times hereafter executed by the Borrower and delivered to the Lender, or to protect, collect, lease, sell, take possession of, or liquidate any of the Collateral or to attempt to enforce any security interest in any of the Collateral, or to enforce any rights of the Lender to collect any of the obligations or liabilities of the Borrower or the Affiliates.

Section 7.5 Waiver of Bond. In the event the Lender seeks to take possession of any or all of the Collateral by court process, the Borrower hereby irrevocably waives any bonds and any surety or security relating thereto required by any statute, court rule or otherwise as an incident to such possession, and waives any demand for possession prior to the commencement of any suit or action to recover with respect thereto and waives the right to demand a jury in any action to which the Lender is a party.

Section 7.6 Prior Hearing. In the event of a default, pursuant to authority granted by its Board of Directors the Borrower hereby waives all rights to notice and hearing of any kind prior to the exercise by the Lender of its rights to repossess the Collateral without judicial process or to replevy, attach or levy upon said Collateral without prior notice or hearing.

Section 7.7 Exercise of Remedies. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

## ARTICLE VIII

### TERM OF AGREEMENT

Section 8.1 Term. This Agreement shall continue in full force and effect as long as there are any Liabilities owed by the Borrower to the Lender hereunder. No termination of this Agreement shall in any way affect or impair the rights, obligations or liabilities of the parties hereto relating to any transactions or events occurring prior to such Termination Date, or to any Collateral in which the Lender has a security interest, and all agreements, warranties and representations of the Borrower hereunder shall survive such termination.

## ARTICLE IX

### MISCELLANEOUS

Section 9.1 Amendments, Etc. No amendment or waiver of any provision of this Agreement, the Borrower Note or any other document or instrument relating to the transaction contemplated hereby, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Lender, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 9.2 Notices. All notices, certificates, requests, consents, demands or other communications which are required or permitted to be given or made hereunder shall be sufficiently given and deemed given when mailed by registered mail or certified mail, postage prepaid, to the parties at the following addresses:

(a) If to the Borrower:

Refco Management Services, Inc.  
39 South LaSalle Street  
Chicago, Illinois 60603

Attention: President

(b) If to the Lender:

American National Bank and Trust  
Company of Chicago  
33 North LaSalle Street  
Chicago, Illinois 60602

Attention: Jonathan P. Hecht, Vice President

or at such other address as may be designated in writing by either of the parties hereto to the other. All notices, certificates, requests, consents, demands and other communications hereunder shall be effective when duly deposited in the mails, addressed as aforesaid.

Section 9.3 Costs and Expenses of Agreement. The Borrower agrees to pay on demand all reasonable costs and expenses incurred by the Lender in connection with the preparation, execution, delivery, administration and enforcement of this Agreement, the Borrower Note and all other documents and instruments to be delivered hereunder, including the reasonable fees and out-of-pocket expenses of counsel to the Lender.

Section 9.4 Binding Effect; Governing Law. This Agreement shall become effective when it shall have been executed by the Borrower and the Lender and thereafter shall be binding upon and inure to the benefit of the Borrower and the Lender and their respective successors and assigns, except that the Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Lender. This Agreement, the Borrower Note and all other documents and instruments relating to the transaction contemplated hereby shall be governed by, and construed in accordance with, the laws of the State of Illinois; provided, however, that the parties hereto shall also be entitled to the benefits of, and subject to, such Federal statutes as may be applicable hereto, including, but not limited to, the Interstate Commerce Act.

Section 9.5 Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

Section 9.6 Further Assurances. The Borrower shall execute such further documentation as the Lender may request in order to carry out the purposes of this Agreement.

Section 9.7 Survival of Representations, Warranties, Covenants and Certifications. All representations, warranties, covenants and certifications of the Borrower, and all terms, provisions, conditions and agreements to be performed by the Borrower contained herein, and in any other agreement, document or instrument executed by the Borrower in connection herewith,

shall be true and satisfied at the time of the execution of this Agreement, and shall survive the execution and delivery of this Agreement and the closing of the transaction contemplated hereby.

Section 9.8 Severability. In case any section or provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken thereunder, which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 9.9 Entire Agreement. This Agreement and the other documents and instruments referred to herein set forth all of the covenants, promises, agreements, conditions and understandings between the Lender and the Borrower with respect to the transaction contemplated hereby, and there are no other promises, terms, conditions or obligations relating thereto not set forth herein or therein.

Section 9.10 Captions. The captions appearing in this Agreement are inserted only as a matter of convenience and in no

way define, limit, or describe the scope or intent of such sections or subsections of this Agreement nor in any way affect this Agreement.

Section 9.11 Manner of Payment. For purposes of determining the amount of Liabilities of the Borrower from time to time outstanding hereunder (including for the purpose of computing the interest which may from time to time be owed by the Borrower to the Lender), the receipt of any check or any other item of payment by the Lender shall not be treated as a payment on account of the Liabilities of the Borrower until such check or other item of payment is actually paid in cash or cash equivalent. The Borrower irrevocably waives the right to direct the application of any and all payments at any time or times hereafter received by the Lender from the Borrower, and the Borrower does hereby irrevocably agree that the Lender shall have the continuing exclusive right to apply and reapply any and all payments received at any time or times hereafter against the Liabilities hereunder in such manner as the Lender may deem advisable, notwithstanding any entry by the Lender upon its books and records. Any statement of account rendered by the Lender to the Borrower relating to the Liabilities, including all statements of balances owing, accrued interest, expenses and costs, shall be presumed to be correct and accurate and constitute an account stated unless, within thirty (30) days after receipt thereof by the Borrower, the Borrower shall deliver to the Lender a written objection thereto specifying the error or errors, if any, contained in any such statement.

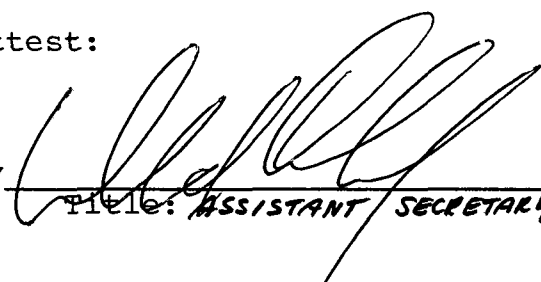
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first hereinabove written.

The Borrower:

REFCO MANAGEMENT SERVICES, INC.

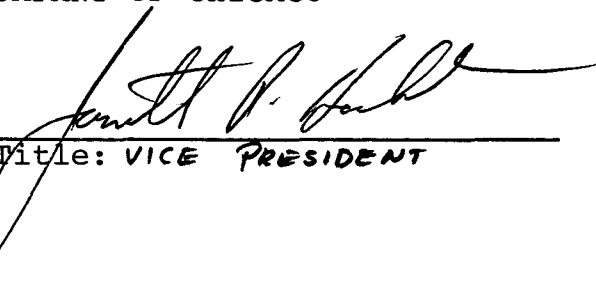
By   
Title: PRESIDENT

Attest:

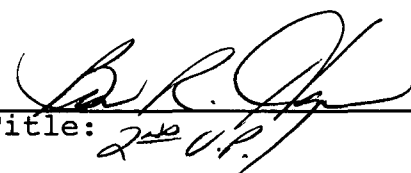
By   
Title: ASSISTANT SECRETARY

The Lender:

AMERICAN NATIONAL BANK AND TRUST  
COMPANY OF CHICAGO

By   
Title: VICE PRESIDENT

Attest:

By   
Title: 2nd V.P.

STATE OF ILLINOIS     )  
                                  ) SS:  
COUNTY OF COOK        )

On this 24<sup>th</sup> day of June, 1982, before me personally appeared Jonathan P. Necht, to me personally known, who being by me duly sworn says that he is a Vice President of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Marilyn Reichsta  
Notary Public

My Commission Expires:  
February 5, 1984

STATE OF ILLINOIS)  
                                  ) SS:  
COUNTY OF COOK     )

On this 24<sup>th</sup> day of June, 1982, before me personally appeared William Cox, to me personally known, who being by me duly sworn says that he is a President of REFCO MANAGEMENT SERVICES, INC., that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Marilyn Reichsta  
Notary Public

My Commission Expires:  
February 5, 1984

SECURED FULL RECOURSE PROMISSORY NOTE

Chicago, Illinois

\$6,700,000.00

June \_\_, 1982

FOR VALUE RECEIVED, the undersigned, REFCO MANAGEMENT SERVICES, INC. (hereinafter, the "Borrower"), a Delaware corporation, hereby promises to pay to the order of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO (hereinafter, the "Lender"), a national banking association, in lawful money of the United States of America, the principal amount of SIX MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$6,700,000.00), which amount shall be payable to the Lender in full on June 30, 1984. Interest shall be paid to the Lender on that portion of the principal amount hereof from time to time remaining unpaid, such interest to be payable on a quarterly basis, in arrears, beginning with the calendar quarter commencing on July 1, 1982, at the Lender's prime rate of interest from time to time in effect for loans made at its principal place of business in Chicago, Illinois to its most creditworthy corporate customers; provided, however, that interest at the same rate shall also be payable to the Lender for the period commencing at the date hereof and ending on June 30, 1982, such interest to be payable to the Lender on the latter date. All payments made hereunder shall be payable to the Lender at its same principal place of business, or at such other place as the Lender may from time to time designate in writing to the Borrower. All payments made on account of the principal amount of this promissory note shall be recorded by the Lender on the reverse side hereof.

3.

This promissory note is the Borrower Note referred to in, and is entitled to the benefits of, that certain Loan and Security Agreement (hereinafter, the "Loan Agreement"), dated contemporaneously herewith, by and between the Borrower and the Lender, which Loan Agreement, among other things, contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and also for prepayments on account of principal hereof prior to the maturity hereof upon the terms and conditions therein specified. The terms and conditions of the Loan Agreement are incorporated herein by this reference. Furthermore, in order to secure the payment of this promissory note and to secure all Liabilities (as such term is defined in the Loan Agreement) of the Borrower, the Borrower has granted a security interest in, and transferred, pledged and delivered to the Lender all of the assets of the Borrower described in the Loan Agreement as Collateral, and all of the proceeds therefrom.

In furtherance, and not in limitation, of the remedies available to the Lender pursuant to the terms and provisions of the Loan Agreement, the entire unpaid principal amount of this promissory note (together with any interest which may have accrued from time to time thereon) shall become immediately due and payable upon demand in any event of insolvency, appointment of a receiver for any part of the property of, or assignment for the benefit of creditors by, or the commencement of any proceedings under any bankruptcy or insolvency laws by or against the Borrower or any of the Affiliates (as such term is defined in the Loan Agreement).

The Borrower and any and all endorsers and all persons liable or who become liable on this promissory note, waive grace,

protest and notice of protest, filing of suit, notice of dishonor or default, presentment and demand for payment and agree to all renewals, extensions, or partial payments and to any release or substitution of security, in whole or in part, with or without notice, before or after maturity.

No delay or omission of the holder to exercise any rights under this promissory note shall impair any such right or power or shall be construed to be a waiver of any default or an acquiescence therein. No waiver of any default shall be construed, taken or held to be a waiver of any other default or waiver, acquiescence in, or consent to any further or succeeding default of the same nature.

This instrument, and the enforcement thereof, shall be governed and controlled in all respects by the laws of the State of Illinois.

The Borrower:

REFCO MANAGEMENT SERVICES, INC.

By \_\_\_\_\_  
Title:

(SEAL)

COLLATERAL ASSIGNMENT

REFCO MANAGEMENT SERVICES, INC., a Delaware corporation (hereinafter, the "Assignor"), in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby assigns, transfers and sets over unto AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association (hereinafter, the "Assignee"), and unto the Assignee's legal representatives, successors and assigns, all of the Assignor's right, title and interest in and to (i) all payments due, or to become due, to the Assignor under the GL Notes and the FSR Notes (as such terms are used and defined in a certain Loan and Security Agreement (hereinafter, the "Loan Agreement") dated contemporaneously herewith, by and between the Assignor and Assignee), (ii) the security interest of the Assignor in each and every item of Investor Collateral (as such term is used and defined in the Loan Agreement and which includes, among other things, a security interest in the railroad rolling stock listed on Exhibit A attached hereto), and all documents, instruments and chattel paper evidencing the same, and (iii) any and all proceeds (as such term is used and defined in the Uniform Commercial Code in effect in the State of Illinois) of the GL Notes, the FSR Notes and the security interests of the Assignor in the Investor Collateral. The Assignor hereby also assigns, transfers and sets over to the Assignee all of the rights and remedies of the Assignor under the GL Notes, the FSR Notes and the security agreements granting the aforesaid security interests to the Assignor (hereinafter, the "Investor Agreements"), to enforce,

collect, receive and receipt for any and all of the foregoing items and amounts assigned.

This Assignment is made and delivered to the Assignee in connection with the Loan Agreement as security for the payment of the Borrower Note (as such term is used and defined in the Loan Agreement) and the performance of all obligations by the Assignor under the Loan Agreement and the Borrower Note.

It is expressly agreed that, anything herein contained to the contrary notwithstanding, the Assignor shall remain liable under the Investor Agreements and all related documents to perform all of the obligations of the Assignor thereunder, and the Assignee shall have no obligations or liabilities under the Investor Agreements and such related documents by reason of or arising out of this Assignment, nor shall the Assignee be required or obligated in any manner to perform or fulfill any obligations of the Assignor thereunder or to make any payment to be made by the Assignor thereunder, or to present or file any claim, or to take any action to collect or enforce the payment of any amounts which may have been assigned to the Assignee or to which the Assignee may be entitled hereunder at any time or times.

In the event, and only in the event, that an event of default shall have occurred under the Loan Agreement or any of the GL Notes, the FSR Notes or the Investor Agreements, the Assignor does hereby constitute the Assignee the Assignor's true and lawful attorney, irrevocably, with full power (in the name of the Assignor, or otherwise) to ask, require, demand, receive, compound and give acquittance for any and all rents, monies, and

claims for monies due and to become due under or arising out of the GL Notes, the FSR Notes or the Investor Agreements, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Assignee may deem to be necessary or advisable in the premises. Anything to the contrary notwithstanding, the Assignor does immediately constitute the Assignee its true and lawful attorney for the purpose of filing appropriate Uniform Commercial Code and other filings with respect to the GL Notes, the FSR Notes, the Investor Collateral and the Investor Agreements, and the Assignor does hereby irrevocably authorize the Assignee, by its duly authorized officers or agents, as attorney-in-fact of the Assignor to sign any such filings in the name of the Assignor, to sign any such filings in the name of the Assignor as debtor and to execute and file the same with only the signature of the Assignee as secured party.

The Assignor agrees that at any time and from time to time, upon the written request of the Assignee, the Assignor will promptly and duly execute and deliver any and all such further instruments and documents as the Assignee may deem desirable in obtaining the full benefits of this Assignment and of the rights and powers herein granted.

The Assignor does hereby represent and warrant that it has not assigned or pledged, and hereby covenants, that it will not assign or pledge so long as this instrument of Assignment shall remain in effect, the whole or any part of the monies, claims and rights hereby assigned, to anyone other than the Assignee, and that it will not take or omit to take any action the taking or

omission of which might result in an alteration or impairment of the GL Notes, the FSR Notes, the Assignor's security interests in the Investor Collateral, this instrument of Assignment or of any of the rights created by any of such documents or instruments.

This Agreement shall terminate when, and only when, there are no obligations of any kind outstanding in favor of the Assignee arising out of the Loan Agreement or the Borrower Note or in connection with any of the transactions contemplated therein. The Assignee, promptly upon the receipt of a written request from the Assignor, will notify the Assignor in writing when there are no longer any such obligations outstanding, and upon such notice, all the right, title and interest herein assigned shall revert to the Assignor, and this Assignment shall terminate.

IN WITNESS WHEREOF, the Assignor has caused this instrument of Assignment to be duly executed as of the \_\_ day of June, 1982.

REFCO MANAGEMENT SERVICES, INC.

By \_\_\_\_\_  
Title:

ACCEPTED AND AGREED as of  
this \_\_\_\_\_ day of June,  
1982.

AMERICAN NATIONAL BANK AND  
TRUST COMPANY OF CHICAGO

By \_\_\_\_\_  
Title:

STATE OF ILLINOIS     )  
                              ) SS:  
COUNTY OF COOK        )

On this \_\_\_\_ day of June, 1982, before me personally  
appeared \_\_\_\_\_, to me personally  
known, who being by me duly sworn says that he is a  
\_\_\_\_\_ of AMERICAN NATIONAL BANK AND TRUST  
COMPANY OF CHICAGO, that said instrument was signed on behalf of  
said corporation by authority of its Board of Directors; and he  
acknowledged that the execution of the foregoing instrument was  
the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public

My Commission Expires:

STATE OF ILLINOIS     )  
                              ) SS.  
COUNTY OF COOK        )

On this \_\_\_\_ day of June, 1982, before me personally  
appeared \_\_\_\_\_, to me personally  
known, who being by me duly sworn says that he is a  
\_\_\_\_\_ of REFCO MANAGEMENT SERVICES, INC.,  
that said instrument was signed on behalf of said corporation by  
authority of its Board of Directors; and he acknowledged that the  
execution of the foregoing instrument was the free act and deed  
of said corporation.

\_\_\_\_\_  
Notary Public

My Commission Expires:

Exhibit A

LIST OF EQUIPMENT

<u>Quantity</u>	<u>Description</u>	<u>Road Numbers</u>
35	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1287-1321
35	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1250-1268, 1334-1349
10	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1282-1286, 1322-1326
20	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1269-1281, 1327-1333
45	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	HCRC 1047-1050, 1053, 1059, 1062-1100
52	Type XM 70-Ton 50'6" Boxcars	UMP 1000-1036, 1039, 1042- 1046, 1048, 1050-1051, 1055-1060
50	Type XM 70-Ton 50'6" Boxcars	Formerly marked as PARY 14000 - 14049; now marked as WSOR 14000 - 14049

Exhibit C

LIST OF EQUIPMENT

<u>Quantity</u>	<u>Description</u>	<u>Road Numbers</u>
35	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1287-1321
35	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1250-1268, 1334-1349
10	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1282-1286, 1322-1326
20	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	UMP 1269-1281, 1327-1333
45	Type XM Boxcars (reconstructed from 70-Ton Mechanical Refrigerator Cars)	HCRC 1047-1050, 1053, 1059, 1062-1100
52	Type XM 70-Ton 50'6" Boxcars	UMP 1000-1036, 1039, 1042- 1046, 1048, 1050-1051, 1055-1060
50	Type XM 70-Ton 50'6" Boxcars	Formerly marked as PARY 14000 - 14049; now marked as WSOR 14000 - 14049